C2710-1 45182

One-hour photo chains clicking—Page 10

Advertising Age

© Entire contents copyright 1982 by Crain Communications Inc. All rights reserved.

$1 a copy; $40 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | April 5, 1982

Allbritton, 'News' unions face off

By STUART EMMRICH

NEW YORK—Texas financier Joseph Allbritton's plan to purchase the *New York Daily News*, announced last week, hinges on obtaining what he considers favorable contract concessions from the paper's 11 unions. A difficult task under any conditions, it is made more difficult by the 30-day deadline placed on those negotiations.

Mr. Allbritton, former owner of the now-defunct *Washington Star*, last Thursday signed a letter of intent with the Tribune Co. to acquire the *Daily News* provided that he is able to reach "satisfactory agreements in 30 days" with the unions.

Neither side would discuss the price being paid for the nation's largest general circulation daily, although it almost certainly will depend on what final conditions can be worked out with the unions. Mr. Allbritton will only be picking up the newspaper and its Queens and Brooklyn printing plants, not the valuable mid-Manhattan Art Deco office building that houses the *News*, nor the potentially lucrative nearby fleet facility.

It has been widely speculated that the Tribune Co. was willing to part with the paper for almost no cash if the buyer would pick up pension liability and severance pay that reportedly total to $90,000,000.

If the deal with Mr. Allbritton falls through, then the Tribune Co. could either continue its search for another buyer, perhaps work out an extension on the 30-day deadline with Mr. Allbritton if he requests it, or just decide to close the paper and assume those liabilities itself.

Mr. Allbritton met with union representatives Friday and said formal negotiations with the 11 unions would begin soon.

Arguing that the *Daily News* ran against the "classic mold" of most dying newspapers —afternoon distribution, No. 2 in its market and falling circulation and advertising—Mr. Allbritton said he was confident he could return the paper to profitability.

As a morning paper "growing in circulation and sound in advertising, with a strong Sunday edition, the *Daily News* is firmly entrenched as the No. 1 paper of the people of New York," Mr. Allbritton said.

Although representatives of the unions announced that they were "pleased and delighted" that the *Daily News* had apparently found a buyer, statements they made at their own press conference Thursday and opinions of those who have closely followed the *Daily News* indicate the road to reaching an agreement might be a rough one.

Labor mediator Ted Kheel, who has acted as an advisor to the unions during the past few months, acknowleged that reaching an

(Continued on Page 70)

Upfront tv sales outlook

Fall looks hot, prices up 10%

By COLBY COATES

NEW YORK—The tv networks and agency buyers are only in spring training now, but the early line on the 1982-83 upfront sales season suggests record numbers in everybody's stadium.

Both sides of the bargaining table already hint at a 10% to 12% prime time price hike next fall, and see that upward pressure spilling over into other dayparts, especially news and, at ABC and CBS, daytime.

With the three networks' fall schedules due for release by the first week in May, networks sales chiefs are fine-tuning their selling strategies. Meanwhile, agency buyers are advising their clients on upfront commitments, telling them to be ready to move quickly once the program lineups are set.

So far, preseason polls have failed to turn up a buyer who is not recommending a bigger upfront commitment than last year. Why do otherwise? ABC-TV sales estimates put current second-quarter scatter buys at 14% to 16% more costly than buys made in the 1981-82 upfront market. And compared to a year ago, second-quarter scatter is as much as 19% higher.

And there's more, too. The new higher prices for football telecasts are expected to channel some extra money into prime time; the networks are bullish about a second-half economic recovery and, for the first time in three years, there is no Hollywood strike to force anyone into a waiting game on the sidelines.

In addition, there is the programing situation. There is no question that some buyers are fed up with the way the networks run programs in and out of the schedules. Many are tired of guessing what programs are running when and how often. Coming into the fray in that frame of mind, it's not too hard to see that buyers are likely to heavy up on the tried and true, proven winners. Besides the security such programs offer, they also usually turn out to represent the best value.

As for football and the prices the networks will charge, buyers now are faced with a situation in which

(Continued on Page 68)

INTRODUCING THE REVOLUTIONARY FXRS.
MAYBE THIS TIME NOTHING WILL GET LOST IN THE TRANSLATION.
MOTORCYCLES BY THE PEOPLE FOR THE PEOPLE

In plain American

Harley-Davidson jabs its Japanese competitors in this new effort for custom bikes now breaking in enthusiast magazines. Copy says the Japanese have tried to match Harley's style, but "something keeps getting lost in the translation." Carmichael-Lynch, Minneapolis, is the agency.

JWT writeoff $30 million

By CHRISTY MARSHALL

NEW YORK—JWT Group last week said the accounting irregularities in J. Walter Thompson U.S.A.'s syndication unit directly affected two of its clients. And rather than having a pretax writeoff of $24,500,000, as JWT reported earlier, the figure has been restated to $30,005,000.

The latest findings come seven weeks after JWT first disclosed that some irregularities had turned up in the books of the syndication unit. At that time, Marie Luisi, senior vp-spot buying and syndication units, was suspended without pay (AA, Feb. 8). Last week, in its latest disclosures about its investigation, JWT said it had fired Ms. Luisi, effective Mach 31. Still under orders from her attorney, Ivan Fisher, Ms. Luisi was not talking to reporters. JWT said its "investigation is continuing with respect to certain matters, principally of a legal nature." JWT declined to personalize its remarks when asked if the probe could lead to legal action against Ms. Luisi.

Contrary to earlier statements, the agency's latest report on its investigation says two clients were improperly billed for spot tv time. Don Deaton, senior vp-communications at JWT, declined to identify the clients. "What good would it do for that information to be out?" he asked. "They know who they are."

Most of the agency's major clients declined to comment on the matter. Earlier reports had Lever

(Continued on Page 68)

Busch rolling out in France

By CAROLYN PFAFF and ANIKA MICHALOWSKA

PARIS—Anheuser-Busch and its partner in France, food conglomerate BSN/Gervais Danone, later this month will begin a $5,000,000 campaign to woo the French away from their traditional tipple and onto the first American-style beer ever offered here, the homeland of champagne and Perrier.

Starting around April 15, Doyle Dane Bernbach, ad agency for the new "Busch beer" as it is called, will play up the American theme to the hilt in print, tv and cinema ads. "We wanted a premium beer with a strong image and a new message," said Michel Lasfargues, manager of the BSN liquid products division. "We're pushing the American way of life—cowboys, wide-open spaces. In short, the whole Western ambiance."

One new device DDB is using is to have actors in the cinema commercial speak in English with French subtitles. That is a daring move, in the opinion of some observers, because French regulations discourage it; big fines have been levied on ads using English words in the text. Pepsi-Cola flaunted the rules last fall, however, and got away with a big English-language poster campaign that ran all over Paris with impunity.

The Busch case will probably cause discussion in Socialist France, but the best bet is that

(Continued on Page 70)

last minute news

Canada Dry's $8 million account moves to Y&R

DALLAS—Dr Pepper Co. is moving advertising for recently acquired Canada Dry unit from Grey to Y&R, New York, agency for other Dr Pepper business. Latest media data put the ad budget around $8,000,000.

Report TWA asks O&M to take commission cut

NEW YORK—Trans World Airlines has reportedly asked Ogilvy & Mather to take a cut in its commission. Neither party would comment on the report. General Motors and Ford recently gained 2% commission cuts from agencies, and Chrysler has asked for direct billing.

Big debut expected for Gillette Widget tool

BOSTON—Gillette's safety razor division is planning to introduce Widget, an all-purpose tool that can be used for "scraping, cutting and trimming." To retail for $1, the plastic Widget comes with five stainless steel blades. Gillette is expected to have a significant introductory push, although it would not comment on Widget. Agency undetermined.

(Continued on Page 8)

In the Magazine:
AA
DC2001&CONGLI
CONGRESSIONAL INFO SERVICE FNJF M
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014
NEWSPAPER

ITS FIRST COMPARATIVE SPOT

Gillette slashes at Bic

By JOHN J. O'CONNOR

In a figurative sense, the close shave that Gillette and Bic are treating each other to might better be described as throat-cutting.

Boston-based shaving giant Gillette, apparently fed up with Bic comparative advertising that poohpoohs the closeness of twin-blade shaving, has for the first time resorted to comparative advertising, as it touts the superiority of its Good News! disposable twin-blade over Bic's single-blade disposable.

A Gillette commercial that broke last week on network tv has a man telling viewers first the "good news": Nationwide shaving tests showed its twin-blade "gave a closer, smoother and safer shave than Bic." Then viewers get the "bad news": "If you use Bic you're not getting as close, as smooth, as safe a shave as you would with Gillette's Good News!" The spot ends with a thumb-in-the-eye remark, "Sorry, Bic."

Gillette's attack via BBDO follows by about three weeks a $10,000,000 Bic tv campaign that uses scanning electron-microscope photography to support the claim that Gillette's Trac II twin-blade cartridge does not shave closer than its single-blade Bic shaver (AA, March 29). Wells, Rich, Greene is the Bic agency.

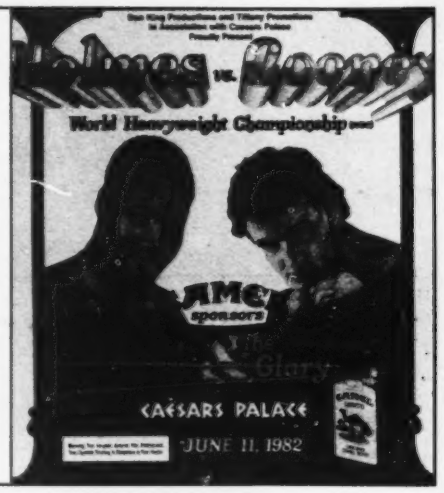
Bic advertising manager Dave Furman characterized the new Gillette spot as "rapidly produced, personalized and emotional," which he said suggests that the facts in the Bic commercial have "touched a sensitive nerve."

The Bic exec said his company was "surprised" at the "frivolous,

(Continued on Page 70)

Fight hype

"The Pride & The Glory" is the promotional theme line for the Holmes-Cooney fight in the advertising, via Ross Salupo Advertising, Cleveland, and fight poster. Rockbill Inc. signed Camel cigarets for the promoters (AA, March 29).



world news roundup

Amsterdam—Leo Burnett International has bought Noordervliet & Winninghoff, the last and biggest independent agency in the Netherlands, billing $25,000,000. The existing office of Leo Burnett here, billing $7,000,000, will be integrated into the new Noordervliet & Winninghoff/Leo Burnett.

Rome—Italian authorities accused Kraft of violating commercial codes in its advertising and marketing of Bonnet, called "Friggitutto" (fry everything) in Italy. The product, they say, is nothing but liquid margarine and doesn't comply with standards for cooking oils.

Tel Aviv—Israel's largest advertiser, Bank Leumi Le-Israel, is moving its $6,000,000 account to Arieli Advertising, after 30 years with Tal-Aroyo.

Sydney—Nabisco is facing a legal challenge from Australian competitor Sanitarium, which charges Nabisco with misleading advertising in its current campaign for Vita Brits breakfast cereal. The ads claim Vita Brits has lower sugar content than Sanitarium's Weet Bix.

Duesseldorf—Beecham subsidiary Lingner & Fischer, is moving its $2,500,000 account for Odol, Germany's No. 1 mouthwash, to Gramm & Grey here, after only a year with Heumann, Ogilvy & Mather.

Rio De Janeiro—Philip Morris is test marketing Chesterfield cigarets here, with the slogan "The most famous American," already used to launch the brand in Argentina (where it is No. 2).

London—The European Assn. of Advertising Agencies, spurred on by Procter & Gamble, is about to launch a major lobbying drive to convince local governments to increase commercial time on tv. The opening target will probably be Germany.

Qube blitzes Pittsburgh

By MAURINE CHRISTOPHER

A marketing and promotion blitz is under way to sign up subscribers for Warner Amex of Pittsburgh, the country's most elaborate cable system, and to build interest in the formal Qube Day launch there set for April 13.

Newspapers, radio, tv and cable will be used in the introductory campaign created by Ogilvy & Mather. Door-to-door salespeople will carry detailed brochures to explain to householders just what is available on the 65 operating channels (and at what price) in a black box that will eventually offer 80 viewing and service choices.

Subscribers now will get a cornucopia from the RCA Americom and Western Union cable satellites. Nearly all the advertiser-supported, nonreligious networks from the birds will be in the Pittsburgh lineup. The list ranges from Black Entertainment Network and C-SPAN to CBS Cable, Music TV and ARTS, Nickelodeon and CNN I and II, plus one superstation, WTBS, Atlanta. Basic tiers will come in five different packages, priced from $5.35 for a relatively limited number of channels to $9.45 for basic with Qube.

The premiere will demonstrate Warner Amex's third two-way, talk-back setup in action with Mayor Richard Caliguiri and Warner Amex Cable chairman Gustave Hauser participating in the ceremonies.

From the premium pay category Pittsburgh viewers may choose Westinghouse-Teleprompter's Home Theater Network, at $3.95, Warner's own Movie Channel at $5.95, Time's Home Box Office at $6.95 or Teleprompter-Viacom's Showtime, available at $9.50 in combination with Qube.

Everything comes in multiples on this system, even pay per view, allowing customers to call or push a button to order "blockbuster" programs for which they will be billed individually later.

Pay per view on "Viewer's Choice" in Qube homes kicks off opening night with a Marsha Mason and Kristy McNichol film, "Only When I Laugh," followed by a second feature, "Superman II."

Ted Campbell, president of Warner Amex of Pittsburgh and former general manager of Warner Akron, will hire an ad staff to sell local minutes available in ESPN, USA, CNN and the other

(Continued on Page 68)

Advertising Age takes to the airwaves

New York—Live interviews with executives who figure in Advertising Age news and feature stories each week begin airing Wednesday, April 7, on WMCA's "Special Edition" radio show here.

The program, 6 p.m. to 7 p.m., is conducted by series host Bob Grant and Fred Danzig, Ad Age executive editor. A late update of breaking news of interest to the advertising community, delivered by John J. O'Connor from the AA news desk here, also will air during the show.#

highlights

Monday, April 5, 1982

One-hour photo processing chains are catching on quickly, and the California-based operations are gearing up for major expansion. *See Page 10.*

New orange and yellow golf balls are scoring high among golfers. *See Page 12.*

Tv superstations and cable win as a proposal for expanded blackouts of pro sports gets voted down. *See Page 20.*

President Reagan's nominee for the Federal Trade Commission, F. Keith Adkinson, is out. *See Page 20.*

The extent of children's fashion consciousness puzzles apparel marketers. *See Page 24.*

Sportswear is getting more scientific, as a bio-engineer has designs on the market. *See Page 24.*

Cable tv's presence, felt at the NFL-network tv negotiations, is seen as a factor in inflating rights money. *See Page 28.*

Ad budgets for several leading advertisers were up modestly in 1981, annual reports show. *See Page 30.*

A new volley of firings shakes London's Wasey Campbell-Ewald agency. *See Page 30.*

Land O'Lakes is buttering up the market by using an existing campaign to boost its margarine as it goes national. *See Page 32.*

Nestle Co. drops its Nestea plunge campaign and will pit Dan ("Grizzly Adams") Haggerty against Lipton's tea salesman, Don Meredith. *See Page 32.*

Three top-selling running shoe marketers are under Federal Trade Commission scrutiny. *See Page 34.*

Acne and antifungal products got a clean bill of health from the Food & Drug Administration after it reviewed reports from outside experts on various ingredients. *See Page 37.*

Despite one critic's opinion, Cable News Network is more than ready to add Nielsen data. *See Page 44.*

U.S. cable specialists pose a threat to British communications technology industries that want to handle that country's $5 billion rewiring program. *See Page 44.*

Corning Glass Works is trying new products to counteract the recession. *See Page 50.*

Hearn-Hagler fight pay tv plans head for courtroom clinches. *See Page 58.*

Andrew Jergens Co. is expanding its Squeek! shampoo and conditioner. *See Page 62.*

Fleer Corp. is selling its baseball cards without the gum. *See Page 62.*

CORPORATE CLOSEUP

After 33 years in the charter airline business, Capitol Air charted a new course for itself three years ago as a scheduled passenger carrier, and now the major airlines are paying attention to Capitol's tactics. *See Page 4.*

INTERNATIONAL

Spain's Grupo Zeta has come a long way in publishing since starting out with skin books in the more liberal period following the death of General Franco. *See Page 48.*

MAGAZINE

Geo magazine, which in a stormy three-year history has gone through four publishers and numerous editors, is revamping its editorial approach under new owner Knapp Communications in an effort to be more appealing to an affluent audience. *See Page M-2.*

Has Pepsi-Cola overreacted to the new 7UP "no caffeine" campaign? Rance Crain comments on the latest soft drink battle in his new column, "Parting Shot." *See Page M-32.*

SPECIAL REPORT

A "new localism" is helping to spur the continuing prosperity of the country's city and regional magazines. These publications—their audiences, their successes and, in some cases, their failures—are the subject of this week's Section 2/Special Report. *See Page M-7.*

REGULAR FEATURES

ADBEAT	63	REGIONAL NEWS	38
ADVERTISING MARKETPLACE	59	VIDEOTECH UPDATE	40
AGENCY PEOPLE	64	VOICE OF THE ADVERTISER	56
CON-SID-ERATIONS	16	WASHINGTON BEAT	50
CORRECTIONS & CLARIFICATIONS	6	WORLD NEWS ROUNDUP	2
EDITORIAL VIEWPOINT	16		
FOR THE RECORD	67		
MEDIAMOVES	52		
NEW PRODUCTS	14		
OBITUARIES	71		
PHOTO REVIEW	26		
PRESSTIME	8		

FIGURES TO FILE

AGENCY FINANCIAL REPORTS—FOURTH QUARTER 30

Vol. 53, No. 15—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the fourth week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices.

Continental leaving WRG unit

Los Angeles—The instalation of Frank Lorenzo as Continental Airlines chairman, along with a Texas Air Corp.-dominated board, has triggered the end of the airline's relationship with Johns, Cohen & Pasqualina here. The move fueled speculation that Texas International and Continental may pool their marketing resources if the proposed merger of the two carriers is approved.

Continental's official word is that the airline is conducting a review of agencies to handle the $16,000,000 account. An airline spokesman said a decision is expected within two weeks. Continental declined to name who is participating in the review, but Benton & Bowles, Chiat/Day, Doyle Dane Bernbach, Foote, Cone & Belding/Honig, Young & Rubicam and Scali, McCabe, Sloves have been mentioned.

■ Sources give Scali, Texas International's agency, the inside track, since it is believed parent Texas Air is considering consolidating marketing staffs and/or ad budgets. The agency earlier said it planned to open a Los Angeles office this year (AA, March 22).

Johns, Cohen & Pasqualina was

(Continued on Page 70)

O&M posts top gains of '81

By CHRISTY MARSHALL

NEW YORK—Of the publicly held agencies thus far reporting 1981 results, Ogilvy & Mather fared the best in terms of increased revenues and net income for the year and the final quarter.

JWT Group, beset by the recent discovery of $24,500,000 worth of fictitious entries in its computer from its syndication unit, has yet to release its fourth-quarter and yearend figures.

O&M posted the greatest gain in net income in 1981, a 19.5% increase to $16,544,000, compared with $13,845,000 in 1980.

The other public agency companies reported slight gains, except for Interpublic Group of Cos., whose net plummeted 23% to $15,171,000 from $19,724,000 in 1980. Interpublic blamed its poor showing on foreign exchange rates. Its report noted, "Had the exchange rates remained comparable, worldwide net income would have increased approximately 15% over 1980." The company's net income includes foreign exchange losses of $5,412,000 in 1981, compared with $1,350,000 in 1980.

In the wake of Financial Accounting Standards Statement No. 52, permitting companies to use accounting procedures that reduce a portion of the losses suffered as a result of the strong dollar, BBDO, Doyle Dane Bernbach and O&M restated their 1980 and 1981 incomes. Interpublic plans to use the new method in 1982. The basic effect of the FAS Statement 52 is the exclusion of any gains or losses realized strictly from currency translation.

Grey Advertising's gross income climbed 15% in 1981 to $113,747,000, the largest such gain reported among the six agencies. O&M was a very close second with a 14.9% gain to $302,852,000. DDB's gross increased 12% (to $161,793,000) while the other agencies reported modest gains.

BBDO's revenues for the year slipped 2% to $176,700,000. The agency's domestic revenues increased 5% to $124,400,000 from $118,000,000 while international revenues dropped 16% to $52,300,000 from $61,900,000. The decrease in international revenues was attributed to the stronger U.S. dollar and decline of advertiser spending in many European markets. In the fourth quarter, the greatest gain in net income was reported by Foote, Cone & Belding, up 20.6% to $5,299,000. Again a close second, O&M's net for the quarter was up 19.7% to $5,936,000; DDB's was up 16% to $4,890,000; BBDO's up 9% to $5,502,000. Decreases in net incomes were reported by Grey and Interpublic, down 9% and 11.2%, respectively.

DDB and O&M ranked first and second in increases in gross income for the last three months of of 1981. DDB was up 23% to $51,708,000 while O&M was up 22.1% to $92,070,000. Grey was up 14% to $32,950,000.#

Agency financial reports

Fourth quarter

Net income	1981	1980	%
BBDO	$5,502,000	$5,045,000	9
Doyle Dane Bernbach	4,890,000	4,228,000	16
Foote, Cone & Belding	5,299,000	4,393,000	20.6
Grey	2,201,000	2,401,000	−9
Interpublic	6,322,000	7,121,000	−11.2
Ogilvy & Mather	5,936,000	4,960,000	19.7
JWT Group	not available	——	—

Revenues	1981	1980	%
BBDO	$ 51,000,000	$ 53,500,000	−5
Doyle Dane Bernbach	51,708,000	42,100,000	23
Foote, Cone & Belding	48,160,000	47,163,000	2.1
Grey	32,950,000	28,851,000	14
Interpublic	128,343,000	118,279,000	8.5
Ogilvy & Mather	92,070,000	75,434,000	22.1
JWT Group	not available	——	—

Twelve months

Net income	1981	1980	%
BBDO	$13,796,000	$13,630,000	1
Doyle Dane Bernbach	10,735,000	10,728,000	.0006
Foote, Cone & Belding	11,985,000	11,551,000	3.8
Grey	6,661,000	6,300,000	5
Interpublic	15,171,000	19,724,000	−23
Ogilvy & Mather	16,544,000	13,845,000	19.5
JWT Group	not available	——	—

Revenues	1981	1980	%
BBDO	$176,700,000	$179,900,000	−2
Doyle Dane Bernbach	161,793,000	145,070,000	12
Foote, Cone & Belding	170,309,000	164,743,000	3.4
Grey	113,747,000	98,521,000	15
Interpublic	441,048,000	422,759,000	4.3
Ogilvy & Mather	302,852,000	263,521,000	14.9
JWT Group	not available	——	—

New Wasey C-E shakeup

By HOWARD SHARMAN

LONDON—The troubled Wasey Campbell-Ewald office here was given a massive shakeup when new chairman Bill Murphy continued a round of firings that has reduced the office staff to 126 against 178 last November and 253 at the end of 1980.

Another 22 employes were fired, bringing to 40 the total number cut by Mr. Murphy since he took over three months ago. Even senior management has not escaped the ax; the arrival of Mr. Murphy, an American anglophile, meant the immediate departure of managing director Hugh Burkitt and the move to an international assignment of chairman Colin Goodson. In February, creative director Nick Da Costa flew the coop.

The agency was "too fat, too many people for the billing we actually had," said Mr. Murphy. That's because Wasey has been losing a steady stream of clients. Last fall, the agency lost or resigned $14,000,000 worth of Philips business. This loss was preceded by the collapse of Wasey's second agency, Tinker & Partners, followed by the loss of Omega gum and other Nestle and Coca-Cola products.

Now the new chairman is determined to get tougher with the creative side and to reestablish top-level contact with major clients. "Clients want top-level contact, and if I don't learn that no one will ever learn it," said Mr. Murphy, who claims to have made safe Wasey's six major clients—including General Motors, Goodyear and L'Oreal—and three international accounts—Coca-Cola, Heublein and Eastern Air Lines.

Sources say that Mr. Murphy is bringing a new, aggressive U.S. style to the agency. "For better or worse, they have an American leading them," said Mr. Murphy. "And if we need to be young, brash and snappy, we must go out and do that."#

We have been designing, printing, fabricating record covers and pressing records for the record industry for over 20 years—let us put this experience to work for you.
RECORD COVERS
Short runs? Low budget? We have 39 full color 'stock' covers on which we can imprint your titles and photo. We call these "Instant Album Covers."
Lee Myles Associates, Inc.
160 E 56 St., Dept M, NYC 10022

FREE! Graphic Vacation Travel Planner (MPG — Gallon/Liter conversion)
Call for yours now. No obligation!
GRAPHIC CALCULATOR COMPANY
Designing and manufacturing special slide rules, printed calculators and feature demonstrators for 40 years!
230 James Street, Barrington, Illinois 60010
Call Cape Gulbransen or Barbara Kokoron at
312/381-4480

Put our selling team on your sales team.
The Advertiser Red Book and the Agency Red Book work together to help you reach over 21,000 advertisers and ad agencies.
You can look up advertisers and agencies by location. Or, by type of business.
You're told who your prime prospects are. How best to approach them. And who has purchasing authority.
An annual subscription to the Classified Edition of the Advertiser Red Book (includes the 1,300 page directory and 9 cumulative supplements) costs just $183. An annual subscription to the Agency Red Book (includes 3 successive issues of the 1,000 page directory, supplements and weekly bulletin Ad Change) costs just $157.
But if you subscribe to both services, you pay only $272, a $68 savings.
Order today.
The sooner the Red Books are working together for you, the better.
A typical Advertiser listing
A typical Agency listing
Please send us subscriptions to the Red Book services indicated below:
☐ _____ (qty.) Advertiser and Agency Red Books. $272 per set—a $68 savings.
☐ _____ (qty.) Advertiser Red Books. $183 each.
☐ _____ (qty.) Agency Red Books. $157 each. All prices plus shipping and handling.
Ship to the attention of:
Name _____
Company _____
Street Address _____
(We ship U.P.S which doesn't deliver to P.O. boxes)
City _____
State _____ Zip _____ Phone _____
Your Signature _____
(No unsigned orders accepted.)
☐ Bill us. ☐ Check enclosed. Tax where applicable.
AA4-2
The Red Books.
National Register Publishing Co. 5201 Old Orchard Road/Skokie, IL 60077
Mail the coupon or call us toll-free at 800-323-4381.
Illinois residents call 312-470-3407

THE TOLL-FREE 24 HOUR 7 DAY ANSWER
USA 800
People respond more quickly (at no cost to them at less cost to you) when all they have to do is "pick up the phone." There's no delay from impulse to order. The customer calls to order your product or request information about your service immediately! There are over 10,000 TOLL-FREE lines in use right now, handling over 1 million calls daily! Give us a call!
WHAT MORE COULD YOU ASK FOR?
CALL TODAY TO FIND OUT MORE!
USA 800 1-800-821-2280 ext.2000
in Mo. call 1-800-892-7655

New localism

(Continued from Page M-7)
everyone knows how much weight should be given to political slogans and party platforms.

But for the new breed of city and regional magazines that have blossomed in the last 10 years, localism is the only explanation. Were it not for heightened public interest in local concerns, the publications would never have received much attention, and any effort to understand the magazines' success—much less to try to foresee their future—requires a close look at this major social trend.

One of the most important causes for increased localism is the trend toward decentralization.

"About six or seven years ago, [the forces fostering] decentralization became greater than the centralizing forces," says John Naisbitt, who heads his own Washington-based trend-monitoring organization. "We're decentralizing like crazy now."

In the big scheme of things, explains Mr. Naisbitt, the capital-intensive nature of our industrial society had favored development of larger institutions and, adds the trend-tracker, "There were two great centralizing events [in the 20th Century], the Great Depression and World War II."

Following the war, the large-scale orientation was further reinforced as "We began to realize the interconnection of things" on a global scale, says Bruce Stokes, senior researcher at the Worldwatch Institute in Washington and author of "Helping Ourselves: Local Solutions to Global Problems." "We learned, for example, that drought in India could cause higher bread prices in the U.S. As a result, in the 1950s and 1960s, the common problem-solving approach was global" rather than local.

As our capital-intensive, industrial economy began to evolve into a post-industrial society and as service industries became the fastest-growing segments, the need for centralization diminished.

The failure of numerous large-scale programs to solve the major problems of the 1960s, and the resentment toward the increasing impersonality of large institutions also fomented disenchantment with central planning and control.

"We saw tnat those macro, top-down solutions didn't work," says Mr. Naisbitt, and that "the only thing that really works is local initiative."

"It wasn't just conservatives," adds Mr. Stokes. As the nation moved through the dislocations of the 1970s, he says, "all people began feeling that their lives were out of control."

On top of everything else, the dramatic "rise in energy prices made it increasingly expensive to live very far from amenities," says David Morris, president of the Institute for Local Self-Reliance and author of "Self-Reliant Cities," scheduled to be published next month. "The concept of compactness was revived," and such things as neighborhood grocery stores and neighborhood bars became more important.

At the same time, many newly affluent members of the baby boom generation also came on the scene.

"The new magazines are oriented toward this new class of people that has enjoyed an explosion in disposable income," says Mr. Morris. Adds publishing industry analyst John Morton of Lynch, Jones & Ryan, "The most successful of the city magazines tend to be very upscale."

Even the most cursory examination of city and regional magazines provides plenty of evidence to support such a conclusion. For example, virtually every city magazine from *Atlanta* to the *Wichitan* devotes significant editorial space to restaurant reviews. At the very successful *Chicago* (profiled in this section), which began as a program guide for the local fine arts radio station, the restaurant reviews continue to be the best read feature, and the publications's best-selling issue traditionally has been its annual listing of the city's best and worst rated eating places.

"The city magazines have tapped into the conspicuous cultivation" that has become more apparent in recent years, explains Arthur Shapiro, head of the social trend-monitoring division of the Yankelovich, Skelly and White research company. According to Mr. Shapiro, the new interest in community can be seen as a natural extension of me-generation self-interest, and the "insider tips and evaluations offered by city magazines" fit very nicely with the increased desire of individuals to see themselves as "behind the scenes experts, as *cognoscenti*."

Not surprisingly, the magazines generally have been most successful in attracting advertisers from restaurants and local retailers who cater to upscale audiences.

"I've got to believe that restaurants pay the postage" for most of the city magazines, says Ed Weiner, media director at Geers Gross Advertising. "The magazines also are a good opportunity for advertisers of products like liqueurs and imported autos that are compatible with the kind of people who are interested in the new French restaurant in town."

In light of the important role that localism and related economic trends have played in the development of city and regional magazines, it is natural to ask what the future holds. The consensus: There is good news and bad news.

The good news is that people's ties to their local communities are likely to become even stronger as we move into the 1980s. High interest rates, for example, already have inhibited people from moving and have helped spur them to develop deeper roots in their communities. And even when interest rates begin to come down, sociologists predict that the aging of the U.S. population and the establishment of nuclear families by increasing numbers of baby boom members will also cut into the tendency to move, thus strengthening localism and increasing the vitality of local communities.

The best prospects for increased vitality are smaller cities (population 10,000 to 25,000) that "are growing most rapidly and have the highest income levels," says Mr. Morris.

The bad news is that the city magazines are likely to face significantly more competition.

"One of the things that I think will happen is that the major metro dailies increasingly will try to appeal to this [upscale] group," says Mr. Morton, the publishing industry analyst.

"There is potential for newspapers to shift their Sunday supplements to be aimed at more of the same kind of audience" and to carry the same kinds of features as city magazines, adds J. Kendrick Noble, publishing anaylst at Paine Webber. Newspapers have shied away from such steps in the past because they "prided themselves on being a mass medium, but newspapers have been adding more targeted sections in recent years."

According to the publishing industry experts, many of the local magazines have done an excellent job of establishing a local franchise as the best source of cultural and entertainment information, but their monthly periodicities may prove to be a major disadvantage should the dailies move more aggressively in this direction. Because of the deadlines associated with a monthly schedule, explains Mr. Morton, "Often they have trouble putting together a comprehensive listing of cultural and entertainment events, much less trying to review things. They are vulnerable there."

There also is the possibility that services like electronic Yellow Pages or cable-delivered information banks might undercut the usefulness of such popular features as city magazine restaurant listings, though Mr. Morton points out, having allowed *Chicago* "to establish a franchise, the *Chicago Tribune*, for example, may have trouble taking it away.

Look at what Walter Annenberg did with the *TV Guide*. Most newspapers overlooked tv because they saw it as a competitor, and they've never been able to recapture that franchise."

Nonetheless, "for the personality of a city magazine to become more important, it will have to be more than just listings," adds Mr. Morton. "It will have to develop a personality, an identity, that can't be duplicated on cable."

The city and regional magazines also may have to adjust to significant shifts in reader interests.

As many members of the baby boom generation begin to form nuclear families, for example, "schools will become a dominant subject for city and regional magazines in the next ten years," predicts Mr. Stokes of Worldwatch, "just as schools were among the most important issues in the 1950s."

Ratings of school system quality may wind up rivaling restaurant guides in popularity, and some publications already have begun to extend this review and consumer service approach to include ratings of used car lots, gas stations, drug stores, and emergency rooms at local hospitals.

"If I were the magazines, I'd be looking for ancillary products, like special-edition home guides, restaurant guides and guides to financial services available in the area," says Mr. Shapiro of Yankelovich, Skelly and White.

"City and regional magazines haven't fully picked up on the neighborhood phenomenon," points out Harry Boyte, executive director of the Citizen Heritage Center in Minneapolis and author of "The Backyard Revolution."

Mr. Boyte expects to see more attention to local history and architecture, including "features on what it was like to live in the area 100 years ago."

Adds "Whole Earth Catalog" publisher Stewart Brand, who has written about the localism trend in his Co-Evolution Quarterly, "Conservative editing and publishing can cause the [city and regional] magazines to get pinched between the dailies and the more imaginative [community] weeklies. Still, the big dailies are big, slow and ponderous. They can't make fast moves, and the magazines can always move quickly and find things to do." AA

Ad pages—1981

In major monthly city/regional magazines

Publication	Pages
Los Angeles	2,500.0
Texas Monthly	1,795.2
Chicago	1,795.1
San Diego	1,743.6
Philadelphia	1,699.8
Washingtonian	1,629.8
Boston	1,600.2
Palm Springs Life	1,574.0
D Magazine (Dallas/Ft. Worth)	1,489.8
Columbus Monthly	1,148.2

Source: Advertising Age Survey

By Kristin Blom

Whether it's on the radio, television or in the newspaper, you rarely make it through a day without hearing of budget cutbacks, employe layoffs or plant closings.

You, too, probably find yourself cutting back and having to make sacrifices. Unfortunately, one thing people give up is a magazine subscription.

In a poll conducted by Advertising Age Magazine asking editors to name some of the major problems facing city and regional magazines today, the over-all concern centers on the current recession. It seems to be a vicious circle, with a combination of rising production costs, achieving recognition from national advertisers and affording good free lance writers, all bouncing off one another.

The increasing cost of doing business has been difficult for the Naples, Fla.-based *Gulfshore*. Editor Molly Burns says, "A significant problem exists in the increased costs of printing, supplies and postage."

The economic downturn hasn't helped, although according to Ms. Burns, the smart advertiser will maintain its linage through bad times. "A common pitfall is to do something that

Kristin Blom is assistant editor with Advertising Age Magazine.

Texas

"A thorough class act." That's how one magazine editor described a publication in the city and regional magazine field. That publication was *Texas Monthly*.

As a matter of fact, *Texas Monthly* was the overwhelming choice of editors responding to a recent Advertising Age Magazine poll that asked city and regional magazine editors to name the five best magazines in their field.

Not all the comments were complimentary. Some believe Texas Monthly was "No. 1 in the 1970s but has cooled down a little."

Texas Monthly, receiving 134 total points, was mentioned 33 times—more than any other magazine—and of those, it was cited 18 times as No. 1. Among the comments were: "Outrageous, fun covers but outstanding material inside," "catches the

Economic woes worry the editors

another magazine in another region does," she says. "What sells in Miami, however, probably won't sell in Salt Lake City."

Others agree that rising production and staff costs are a problem.

"Especially in direct mail campaigns and circulation services," says Sylvan Meyer, editor of *Miami*.

Brian Nicol, editor of *Honolulu* says, "Editorially, we are stronger than ever in providing our readers with a useful, meaningful package. But postal service, as well as rates, remains a problem, not to mention attracting national advertising."

In the case of James D. Lester, publisher and senior editor of *Tennessee Monthly*, it's the universal problems of insufficient advertising and building circulation. "We face the problem of credibility with national advertisers," he says, "and as we overcome that problem we tend to grow and expand in size and quality."

Brian Anderson, editor of *Mpls.-St. Paul*, based in Minneapolis, says that reliance upon free lancers continues to keep magazines in some markets from moving into strong, in-depth articles.

"It's tough to do in-depth stories with limited financial resources, but the fact that such magazines *want* to do such articles bodes well for their future," Mr. Anderson says.

Sheri Rosen, editor of *D*, the Dallas/Fort Worth magazine, singles the problem out. "It's difficult to find decent writers that don't demand the kinds of fees that national magazines can afford to pay," she says.

Another editor thinks city magazines face different problems than regionals. "City magazine editors need more editorial freedom to pursue the in-depth controversies, with additional staff and the time to do it," says Rita Gormley, editor of *Aloha*. "Regionals all seem to be understaffed. I'm not sure whether we're facing a lack of writers with style or a lack of readers with taste."

What about the future? Overall, the editors believe that there will be an improvement in editorial quality, an increase in solid in-depth pieces, service-type columns and the use of four color.

Mr. Meyer of *Miami* sees improvement in the quantity and quality of service features (lists, primarily): "I see content moving from rather gimmicky special features of the past to more solid life style analysis pieces."

Others contend that city and regional magazines are becoming more sophisticated—less puff and more solid news.

Co-editors of Erie, Pa.-based *Erie*, Gae Metalanis and Pamela Carson, say that "more and more meaningful stands are being taken on controversial topics. Public relations and fluffy articles are declining."

Yet some editors have a difference of opinion. Allen H. Kelson, editor-in-chief of *Chicago*, says many books are becoming fluff-oriented and once-tough publications are going softer. "Other magazines are becoming predictable with three or four annual stories (best and worst of everything in town, dining issues, celebrity issues)," he says. "But visual and writing quality is generally improving as staffs become more experienced and larger."

Bernard McCormick, editor of *Gold Coast of Florida*, based in Fort Lauderdale, contends that magazines are copying each other. "It's ridiculous imitation," he says. "Everybody is into gimmicks, make money stories, etc."

Mr. McCormick says this situation suggests that magazines are beginning to forget why they exist. "Good writing is the answer," he says. "No newspaper can compete with a superior story, written in depth and with style, in a better built and more lasting package. If magazines are not saved, they are not doing the job."

Frank Bentayou, editor of *Tampa*, thinks city magazines are moving into the mainstream of reading. "Newspapers beware!" he says.

Another trend some editors see is the move to target not only a local or regional audience, but a special interest audience within that region.

"For example, our magazine goes to the people in the Richmond, Washington, Baltimore, Philadelphia media markets who are interested in the history, recreation and travel opportunities available in the surrounding countryside, one of the most editorially rich in the nation," says Wilson Morris, editor of *Country Magazine*, based in Alexandria, Va.

Frank Soler, editor of *Miami Mensual*, foresees new city and regional magazines oriented to highly specialized audiences, such as Hispanics.

"I consider the city and regional magazine marketplace to be one of the strongest among all publications," he says. "There is no reason whatsoever why such magazines, if properly managed and focused toward the community, should not continue to enjoy strong health even in a recession period." AA

Advertising Age/Section 2

Magazine

POLL

The top 10 city and regional magazines

(Forty-two editors took part in the ranking of the poll. First-place votes counted 5 points, second-place, 4 points, third-place, 3; fourth-place, 2; and fifth-place, 1)

Total no. of mentions	Magazine	Points (First-place votes in parentheses)
32	1. Texas Monthly	134 (17)
19	2. Philadelphia	69 (6)
21	3. Washingtonian	62 (3)
17	4. Los Angeles	57 (2)
14	5. New York	45 (5)
11	6. Chicago	37 (0)
11	7. D (Dallas/Ft. Worth)	30 (2)
8	8. California	20 (0)
5	9. Cleveland	18 (1)
9	10. Boston	16 (0)

Other magazines receiving first-place votes (one each) were Louisville, Blair & Ketchum's County Journal (in Brattleboro, Vt.) Mpls.-St. Paul, Palm Springs Life, the Washington Dossier and Rocky Mountain (in Denver).

lair tops 'em all

true flavor of the region," "best of the best," "audacious, witty, attractive."

However, not all the comments were complimentary. Some believe *Texas Monthly* is still good journalistically, but has slipped in the last couple of years. One said, "it was No. 1 in the 1970s but has cooled down a little."

In all, 44 responses were received from city and regional magazines around the country. Each publication had a circulation that ranged from 12,000 to 245,000 and staffs of one ("with many free lancers") to 20 ("full time").

The second ranked choice was *Philadelphia* with a total of 69 points, followed closely by the *Washingtonian* with 62, *Los Angeles* with 57 and *New York* with 45 points.

Philadelphia, receiving 19 total mentions, was consistently praised for its good mix of editorial content.

Among the comments were the following: "Gritty, though softening," "good mix of light with hard hitting material" and "excellent local orientation." One editor even referred to it as "the granddaddy of the 'serious' city books."

Improvement was the key word among editors in describing *Washingtonian*, which ranked third and received 21 mentions.

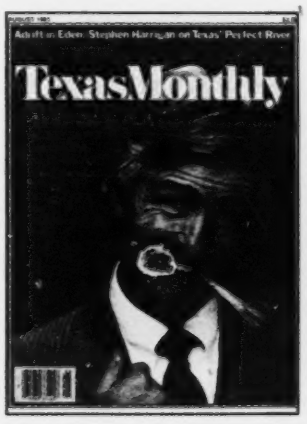
One of them said, "Most improved in the last 18 months." Others had a variety of comments, including "top notch journalism," "droll, good editorial mix," "solid" and "punchy."

The only characteristic editors could agree on about *Los Angeles*, rated fourth, was its effectiveness at understanding its market. "Original material perfectly suited to its market," said one, yet others differed in comments. "Lightweight, ugly, but entertaining," "fat with ads" and "editorially bankrupt, but popular."

And *New York* magazine, rated fifth, was cited more than once for its consistency and imaginative content.

Yet one added, "given the market, it should be better than it is."

The five other magazines that ranked in the top 10 catagory, include, in order, sixth place *Chicago* with 37 points, *D* (Dallas/Fort Worth) with 30, *California* with 20, *Cleveland* with 18 and *Boston* with 16 total points. —*K.B.*



***Texas Monthly* took top honors in the city-regional magazine poll conducted by *Advertising Age Magazine*.**